

FISCAL NOTE

Bill #: HB 383

Title: Revise Involuntary Retirement
Benefit and Eligibility for Judges

**Primary
Sponsor:** Tom Facey

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
Other (Trust Fund)	\$60,630	\$60,630
Revenue:	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long- Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. This benefit is not actuarially funded.
2. The system has 37 judges who could potentially be involuntarily terminated after completing at least 12 years of service and are less than age 65.
3. Of the 37 judges, at least 2 would be involuntarily terminated with 12 or more years of service and be less than age 65.
4. The average age of the judges is 55, so each would receive the additional benefit for 10 years.
5. The additional benefit for each judge will be \$303,154, or for 2, \$606,308.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
<u>Expenditures:</u>		
Benefits	\$60,630	\$60,630
<u>Funding:</u>		
Other (Judges' Retirement Trust Fund)	\$60,630	\$60,630
<u>Revenues:</u>	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (Judges, Retirement Trust Fund)	(\$60,630)	(\$60,630)

LONG-RANGE IMPACTS:

This bill would increase the unfunded liability of the Judges' Retirement System by \$606,308 over the next 10 years. The cost per year would continue to be approximately \$60,630 in benefits.